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cover very fully and in detail the topics which he undertakes to discuss, and one cannot find anywhere a more satisfactory treatment of such subjects as the powers of corporations, *ultra vires* contracts, rights of stockholders, rights and liabilities of directors, by-laws, transfer of shares and promoters.

While the book is thus entitled in general to very hearty commendation, we find ourselves in disagreement with many of the author's conclusions. For instance, in the opinion of the author, there is a fundamental difference between a group of men incorporated under a special act, and a group of men incorporated under a general law, but to the writer this distinction seems fundamentally unsound. The courts can recognize a group of individuals as an entity only when permitted to do so by the legislature. Whether this permission is given by general law or special act cannot affect the nature of the corporate entity.

The author is of the opinion that a voting trust, if continued for an indefinite time, might violate the rule against perpetuities, but a voting trust, subject to cancellation at any time by unanimous vote of the parties interested, does not involve a future remote interest or the suspension of the power of alienation. Mr. Machen curiously enough gives very little consideration to the nature of a corporation, apparently assuming that every lawyer understands this; but both Mr. Taylor and Mr. Morawetz have in effect repudiated the entity theory as an out-worn fiction, and a clear grasp of the meaning of the doctrine that a corporation is a legal person distinct from its members is essential to an understanding of many important problems in the law of corporations. If the author had given more attention to the matter, he might not have so lightly assumed that the consent of all the stockholders to an *ultra vires* contract could not consistently with the entity theory have any legal effect.

G. F. C.

RATE REGULATION AS AFFECTED BY THE DISTRIBUTION OF GOVERNMENTAL POWERS IN THE CONSTITUTIONS. BY ROBERT P. REEDER. Philadelphia: T. & J. W. JOHNSON Co. 1909. pp. 44.

This reprint is of real importance for bringing to general attention a magazine article of unusual merit. The problem which it discusses is not yet finally settled; and therefore the position which it takes is well worth careful consideration, if for no other purpose than the clear definition of the issue involved. The author takes the position that in fixing rates, a railroad commission can go no farther than to give implicit obedience to statutory instructions. What the author fears is the delegation of legislative power to a Commission; he feels, therefore, that the legislation must sufficiently indicate the principle by which the rate shall be determined. His conclusion is that to give the Commission the power to fix reasonable rates is a full delegation of all the power which the legislature possesses. It will be obvious that this result seriously impairs effective regulation; for unless a wide scope can be granted to the Commission, it cannot deal satisfactorily with the great variety of actual cases. And indeed to this reviewer it seems that all the indications are that the Supreme Court will ultimately decide that it is within the proper conception of administrative power to intrust to a railroad commission the power to determine what shall be reasonable rates.

B. W.